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OLC 78-2042/6

*Security*

20 July 1978

MEMORANDUM FOR:

Chief, Procurement Management Staff  
Office of Logistics

FROM:

Chief, Legislation Staff  
Office of Legislative Counsel

SUBJECT:

Contractual and Industrial Security Oversight

1. With regard to Recommendation #2 of the Industrial Security Interim Report, [redacted] of OGC, and I are discussing the matter from a substantive legal/legislation standpoint; we will keep you advised. Also, you should know that the issue of providing authority for the Director to terminate the security clearances of contractors of Community entities other than the Office of the Director of National Intelligence and the CIA, has been discussed as an issue in Title I of the intelligence charter legislation. Although this is not directly on point, and the approach is not without its problems (it is still being discussed within the Administration), you should be aware of it. Clearly, the charter legislation should be kept in mind in any consideration of possible legislative remedies regarding industrial contractors.

2. Recommendation #7 of the Industrial Security Final Report directs that OLC advise the DCI of legislative proposals impacting on CIA procurement authorities. This recommendation simply reiterates a responsibility which OLC already performs. The Legislation Staff of OLC will continue to monitor all legislation that might impact on CIA and DCI authorities, responsibilities and needs, including legislation on procurement. On this matter, S. 1264, the "Federal Acquisition Act of 1977," is the major piece of active legislation relating to Federal procurement policies. This bill is awaiting action by the full Senate, but has not yet been scheduled. We have received more than one round of comments on this bill from your office and from OGC on S. 1264; we will be back in touch with you regarding our equities in this legislation.

cc:

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1 - OLC Subject

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